

## Message Text

UNCLASSIFIED

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ACTION DOTE-00

INFO OCT-01 EUR-12 ISO-00 OES-07 /020 W  
-----091929 072052Z /75

P R 071844Z JUL 77  
FM AMEMBASSY LONDON  
TO SECSTATE WASHDC PRIORITY 5913  
INFO AMEMBASSY PARIS  
AMEMBASSY ROME  
AMEMBASSY STOCKHOLM

UNCLAS LONDON 11241

FOR: DEPT. OF TRANSPORTATION, RAMUNDO, DOT/TP1-42

E.O.: 11652:N/A  
TAGS: TGEN, ETRN, UK  
SUBJ: GASOLINE TAX INFORMATION

REF: STATE 155741

1. UK TAXES ON ROAD FUEL AND OTHER OILS GO INTO THE GENERAL REVENUE AND ARE NOT EARMARKED FOR ANY SPECIAL PURPOSE SUCH AS HIGHWAYS. ROAD FUELS AND OILS ARE SUBJECT BOTH TO SPECIFIC TAXES AND VALUE ADDED TAXES (VAT). THE SPECIFIC TAX ON ROAD FUEL (GASOLINE AND DIESEL) IS PRESENTLY 35 PENCE OER UK GALLON PLUS 12 1/2 PERCENT VAT. IN AUGUST IT IS PLANNED THAT THE SPECIFIC TAX ON GASOLINE WILL REVERT TO THE LEVEL PRIOR TO APRIL OF THIS YEAR OF 30 PENCE BUT DIESEL FUEL WILL REMAIN AT THE HIGHER RATE OF 35 PENCE. FUEL OILS USED IN STATIONARY ENGINES, TRACTORS, FISHING VESSELS, ETC. CARRY A SPECIFIC TAX OF 2 1/2 PENCE PER GALLON PLUS 8 PERCENT VAT. KEROSENE, EXCEPT FOR JET FUEL GRADE, HAS A SPECIFIC TAX OF 1 PENCE PER GALLON IN RECOGNITION OF ITS USE IN HEATERS BY POORER FAMILIES. OILS USED IN INDUSTRY  
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ARE FREQUENTLY EXEMPTED FROM DUTY.

2. .) THERE IS NO SPECIFIC GAS TAX RELIEF FOR THE RURAL POOR, FARMERS, OR ANY OTHER GROUP FOR VEHICLES USED ON THE ROAD. UK TENDS TO PRODUCE RELIEF THROUGH ITS WELFARE SERVICES AND INCOME SUPPLEMENTS RATHER THAN ANY SPECIFIC REBATE OF TAXES. FOR EXAMPLE,

DISABLED PERSONS AND THE ELDERLY RECEIVE A MOBILITY  
ALLOWANCE TO PAY FOR TRANSPORTATION AND THE GOVERNMENT  
ASSISTS THE DISABLED IN OBTAINING SPECIAL SELF-DRIVE  
VEHICLES.

3. WHETHER THE ROAD FUEL TAX IN BRITAIN IS  
REGRESSIVE IS A MATTER FOR SOME QUALIFICATION  
ALTHOUGH IT APPEARS TO BE GENERALLY REGRESSIVE.  
LARGER CARS OWNED BY THE WEALTHIER USE MORE AND  
HIGHER TEST FUEL AND THE VAT TENDS TO ADD A  
PROGRESSIVE ELEMENT THEREFORE TO THE ROAD FUEL  
TAXATION

BREWSTER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GASOLINE, TAXES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 07-Jul-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1977LONDON11241  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770241-1214  
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**Line Count:** 76  
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**Office:** ACTION DOTE  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** 77 STATE 155741  
**Retention:** 0  
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**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Event:** n/a  
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**SAS ID:** 1939556  
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**Status:** NATIVE  
**Subject:** GASOLINE TAX INFORMATION  
**TAGS:** TGEN, ETRN, UK  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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